County of Monroe The Florida Keys



BOARD OF COUNTY COMMISSIONERS

Mayor, George Neugent, District 2 Mayor Pro Tem, David Rice, District 4 Heather Carruthers, District 3 Danny L. Kolhage, District 1 Sylvia J. Murphy, District 5

Health Plan Advisory Committee
Friday, April 28, 2017
9:30 a.m.
Marathon Government Center
Commission Chamber – 2nd Floor

Agenda

1.	Presentation on the Retiree	Maria/Glen	Public Input
	Resolutions		
2.	Final presentation of Proposed 2018	Glen	Public Input
	Benefit and Contribution Changes		
3.	HPAC will vote on Proposed 2018	Christine Hurley	Public Input
	Benefit and Contribution changes		
4.	Goal: Recommend \$3.3 Million	Christine Hurley	Public Input
	worth of changes		
5.	Adjournment		

ADA ASSISTANCE: If you are a person with a disability who needs special accommodations in order to participate in these proceedings, please contact the County Administrator's Office, by phoning 305-292-4441, between the hours of 8:30 a.m. – 5:00 p.m.., no later than (5) calendar days prior to the scheduled meeting, if you are hearing or voice impaired, call "711".

Monroe County Board of County Commissioners

History of Board Resolutions Relating to Retiree Health Insurance Eligibility and Premiums

Resolution	Effective	Employee/Retiree		
Number	Date	Category	Criteria	Retiree Premium
104-1999	10/1/1999	Existing Retiree	N/A	\$0
		Future Retiree	10 YOS with County AND	\$0
			Either Age 60 or Rule of 70	
		Future Retiree	10 YOS with County AND	Department Rate Until Age 60 OR
			< 60 AND Not Rule of 70	Rule of 70 and then \$0
		Future Retiree	< 10 YOS	Department Rate
119-2001	10/1/2001	Hired Prior to 10/1/2001	10 YOS with County AND	\$0
			FRS Normal Retirement	
		Hired Prior to 10/1/2001	10 YOS with County AND	Department Rate Until Age 60 OR
			FRS Early Retirement	Rule of 70 and then \$0
		Hired 10/1/2001 and Later OR	10 YOS with County AND	Department Rate
		Retiree with <10 YOS	FRS Normal or Early Retirement	
154-2003	1/1/2004	Hired Prior to 10/1/2001	10 YOS with County AND	20 years HIS supplement = \$100
			FRS Normal Retirement	
			OR Current Retiree Paying \$0	
		Hired Prior to 10/1/2001	10 YOS with County AND	Department Rate Until Age 60 OR
			FRS Early Retirement	Rule of 70 and then \$100
		Hired 10/1/2001 and Later	10 YOS with County AND	Department Rate
			FRS Normal or Early Retirement	
354-2003	1/1/2004	Hired Prior to 10/1/2001	10 YOS with County AND	10 years HIS = \$50
			FRS Normal Retirement	
			OR Current Retiree Paying \$0	
		Hired Prior to 10/1/2001	10 YOS with County AND	Department Rate Until Age 60 OR
			FRS Early Retirement	Rule of 70 and then \$50
		Hired 10/1/2001 and Later	10 YOS with County AND	Department Rate
			FRS Normal or Early Retirement	
388-2013	4 /4 /204 4	History B. Start Land 14 (2004)	Lagrage tile Const. AND	LUC /650 L. 6450
388-2013	1/1/2014	Hired Prior to 10/1/2001	10 YOS with County AND	HIS (\$50 to \$150)
			FRS Normal Retirement	
		History B. 2014 12001	OR Current Retiree Paying \$0	Developed Beleffell A COOR
		Hired Prior to 10/1/2001	10 YOS with County AND	Department Rate Until Age 60 OR
			FRS Early Retirement	Rule of 70 and then HIS (\$50 - \$150)
		Hired 10/1/2001 and Later	10 YOS with County AND	Department Rate
			FRS Normal or Early Retirement County Board of County Commissioners for	

Section 5 of Resolution 388-2013 states: "The Monroe County Board of County Commissioners formally reserves the right to any and all future changes and modifications of this resolution, the group insurance contract providing health insurance benefits described herein and/or the require contribution premiums." This same language was also included in all prior resolutions.

Monroe County Health Plan Advisory Committee

April 28, 2017

Monroe County Health and Prescription Insurance

Overview:

- The Board of County Commissioners (BOCC)
 administers a self-insured <u>health</u> and <u>prescription</u> drug
 insurance program for <u>2409 lives</u>, that covers BOCC
 employees and the 5 Constitutional Office employees:
 - Sheriff
 - Elections Office
 - Tax Collector
 - County Clerk
 - Property Appraiser

Retiree Benefits Provided

- Employees hired on or <u>after 10/1/2001</u> who retire as an active participant in the Plan may continue coverage by <u>paying the monthly premium</u> established annually.
- Employees hired <u>prior to 10/1/2001</u> who have at least 10 years of full time service with the County, and meet the retirement criteria of the Florida Retirement System (FRS) may continue to participate in the Plan at a cost equal to the FRS Health Insurance Subsidy for term years of service (currently \$5 per month for each year of service credit at retirement [\$50-\$150 per month]). There are <u>422 current retirees</u> and <u>300 +/- current active employees that are eligible</u> for this benefit if they work for the County until retirement

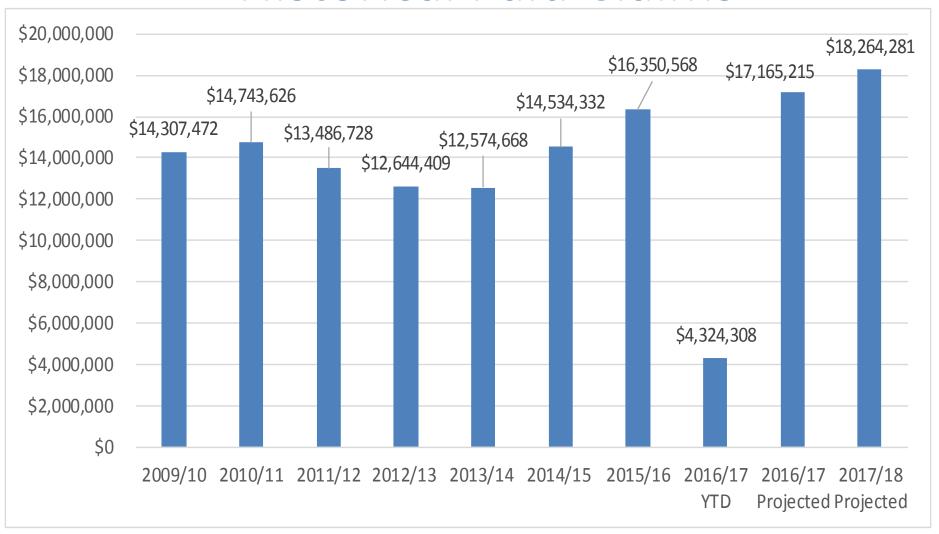
Claims per Member - 2,409 Average Covered Lives

Breakdown of those insured In Oct-Dec 2016	Employees or Retirees	Dependents	Projected Year End 2017	Claims per Member
Total Gross Paid Claims				
a. Health BCBS Active	1,162	708	\$ 11,345,561	\$ 6,067
b. Health BCBS Retiree	422	117	\$ 1,857,692	\$ 3,444
c. Prescription Envision Active	1,162	708	\$ 2,393,736	\$ 1,280
d. Prescription Envision Retiree	422	117	\$ 1,568,226	\$ 2,908
Total Paid Claims			\$ 17,165,215	

The Plan provides medical coverage and prescription drug benefits to 1162 active employees and an additional 708 spouses and dependents of active employees

In accordance with FL. Stat. 112.0801 the County also has available medical coverage and prescription drug benefits to retirees and their eligible dependents. There are currently 422 retirees and 117 retiree spouses and dependents.

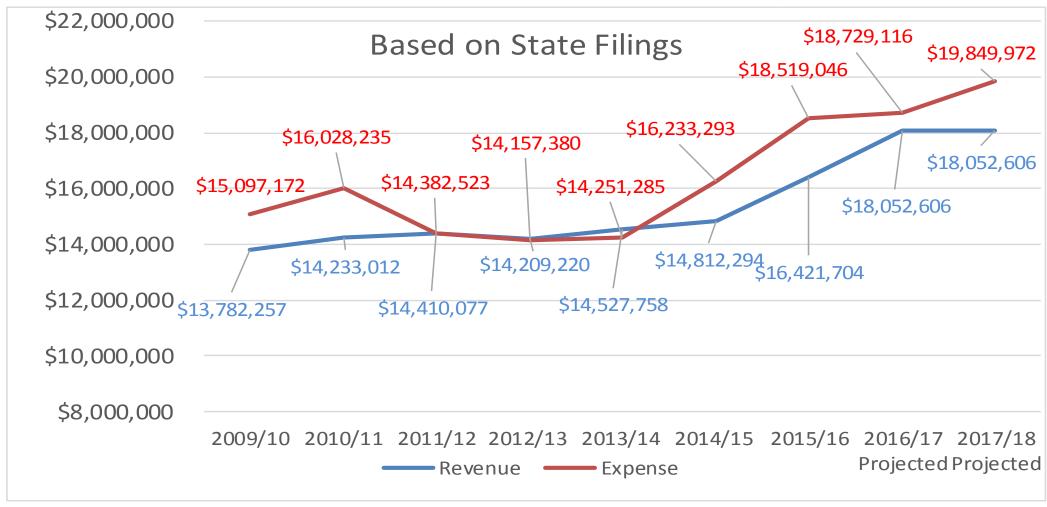
Historical Paid Claims



Historical Active and Retiree Claim Split

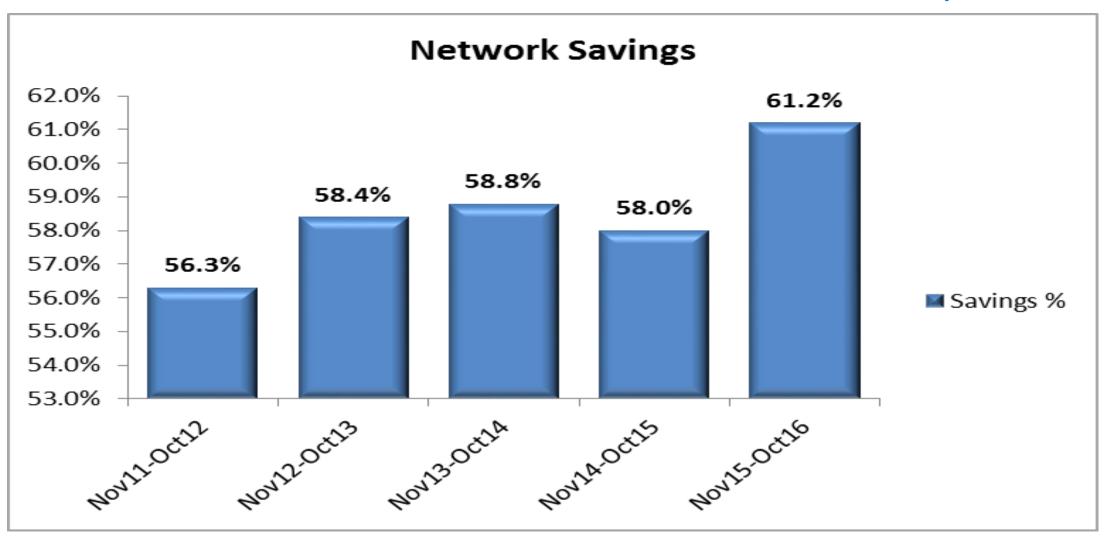
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Annual Clair	ns							
Active	Medical	\$9,348,087	\$10,307,935	\$8,639,657	\$7,047,670	\$7,908,415	\$8,990,024	\$10,053,260
Active	Pharmacy	\$1,361,081	\$1,449,067	\$1,323,481	\$1,461,181	\$1,756,333	\$2,215,091	\$2,263,630
Active	Total	\$10,709,167	\$11,757,002	\$9,963,138	\$8,508,851	\$9,664,748	\$11,205,115	\$12,316,890
Retiree	Medical	\$2,671,227	\$1,933,540	\$2,572,858	\$2,983,256	\$1,777,659	\$1,930,045	\$2,560,144
Retiree	Pharmacy	\$927,078	\$1,053,083	\$962,323	\$1,138,401	\$1,151,543	\$1,419,247	\$1,472,955
Retiree	Total	\$3,598,305	\$2,986,623	\$3,535,182	\$4,121,656	\$2,929,202	\$3,349,292	\$4,033,099
Average Em	ployees							
Active		1,263	1,248	1,255	1,211	1,210	1,181	1,161
Retiree		354	365	367	384	394	411	421
Average Me	mbers							
Active		1,777	1,767	1,777	1,814	1,876	1,856	1,859
Retiree		438	451	454	479	493	519	535
Annual Clair	ns Per Employee							
Active	Medical	\$7,401	\$8,260	\$6,885	\$5,820	\$6,536	\$7,612	\$8,659
Active	Pharmacy	\$1,078	\$1,161	\$1,055	\$1,207	\$1,452	\$1,876	\$1,950
Active	Total	\$8,479	\$9,421	\$7,940	\$7,026	\$7,987	\$9,488	\$10,609
Retiree	Medical	\$7,546	\$5,297	\$7,010	\$7,769	\$4,512	\$4,696	\$6,081
Retiree	Pharmacy	\$2,619	\$2,885	\$2,622	\$2,965	\$2,923	\$3,453	\$3,499
Retiree	Total	\$10,165	\$8,183	\$9,632	\$10,733	\$7,435	\$8,149	\$9,580
		+ = 5/= 5	+ -/	+0/00	+	41,100	+ -/	+ - / - - / - - / - - - - - - - - - -
Annual Clair	ns Per Member							
Active	Medical	\$5,260	\$5,833	\$4,862	\$3,885	\$4,216	\$4,844	\$5,408
Active	Pharmacy	\$766	\$820	\$745	\$806	\$936	\$1,193	\$1,218
Active	Total	\$6,026	\$6,653	\$5,607	\$4,691	\$5,152	\$6,037	\$6,626
Retiree	Medical	\$6,103	\$4,285	\$5,671	\$6,228	\$3,606	\$3,719	\$4,785
Retiree	Pharmacy	\$2,118	\$2,334	\$2,121	\$2,377	\$2,336	\$2,735	\$2,753
Retiree	Total	\$8,222	\$6,619	\$7,792	\$8,605	\$5,942	\$6,453	\$7,539

Historical Revenue and Expense



Expense includes claims plus all administrative expenses

Florida Blue Provider Discount Summary



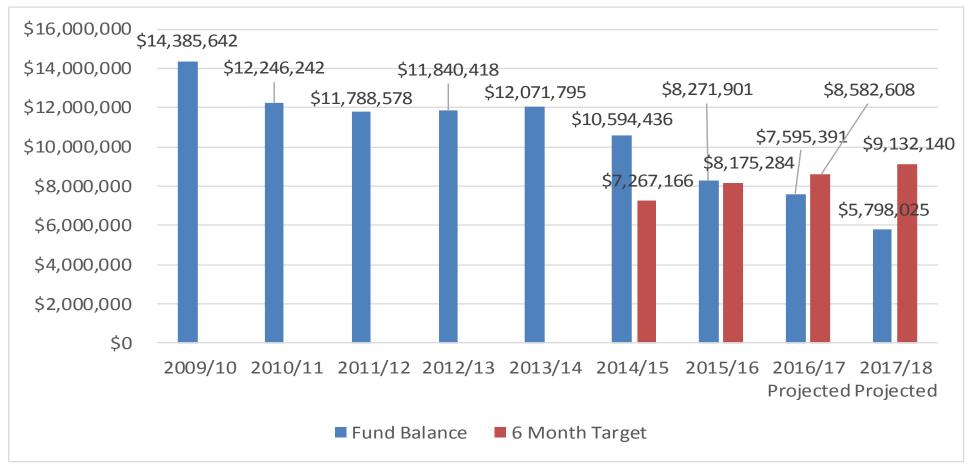
Where does Revenue Come From?

Type of Revenue	Annual Amount Raised
 The County contributes \$1,035 per employee per month into the fund. The breakdown of that amount funds: \$558 toward employee health insurance coverage \$170 toward dependent subsidies \$284 toward retirement subsidies \$23 toward life insurance/AD&D/EAP The County contributes \$320 per month for employees who waive medical coverage 	\$14,764,500
Retirees who qualify for subsidy contribute between \$50 and \$150 per month depending on the amount they receive from FRS. Retirees who don't qualify for subsidy pay full rate (\$1035 pre Medicare and \$621 Medicare).	\$520,572
 Employees pay either \$25 or \$50 per month for employee only coverage depending on their hire date Employees pay for their dependent coverage the remainder of the amount due after County subsidy Spouse premium is \$153 per pay period or \$332 per month Premium per child is \$68 per pay period or \$148 per month 	\$2,400,408
Total	\$17,685,480

GROUP INSURANCE RATES EFFECTIVE JANUARY 1, 2017

	PEF	R PAYDAY	PER MONTH			
EMPLOYEE ONLY COVERAGE: (Hired 05/01/12)		\$23.00	\$50.00			
EMPLOYEE ONLY COVERAGE: (Hired prior to 5/1/2012)		\$11.50		5.00		
, i						
DEPENDENT COVERAGE TIERS:						
				NON-		
	SUBSIDIZED	NON-SUBSIDIZED *	SUBSIDIZED	SUBSIDIZED*		
SPOUSE ONLY	\$153.00	\$387.00	\$332.00	\$838.00		
SPOUSE + ONE CHILD	\$222.00	\$455.00	\$480.00	\$986.00		
SPOUSE + TWO OR MORE CHILDREN	\$324.00	\$557.00	\$701.00	\$1,207.00		
ONE CHILD ONLY		\$68.00	\$148.00			
TWO CHILDREN ONLY		5136.00		05.00		
THREE CHILDREN ONLY	•	5204.00	•	3.00		
FOUR CHILDREN ONLY	-	5273.00	•	1.00		
FIVE OR MORE CHILDREN	•	5341.00	•	88.00		
RETIREES (MONTHLY RATES):	n.					
		\$5.00 for each yr of FRS service at time of retirement				
HIRED PRIOR TO 10/01/01, MUST MEET "RULE OF 70" (SEE RESOLUTION)	ALL AGES	with Monroe County				
HIRED AFTER 10/01/01 OR UPON RETIREMENT, MONROE COUNTY	UNDER AGE 65:	\$1,035.00				
WAS YOUR LAST FRS EMPLOYER	OVER AGE 65:	\$621.00				
RETIREE DEPENDENT COVERAGE TIERS:						
SPOUSE ONLY	UNDER AGE 65:	\$332.00				
SPOUSE ONLY	OVER AGE 65:	\$559.00				
FOR DEPENDENT CHILDREN RATES SEE TIERS ABOVE						
*NOTE: NON-SUBSIDIZED PREMIUM APPLIES TO SPOUSES/DOMESTIC PARTNERS	□ S WHO ARE ELIGIBLE FO	DR COVERAGE THROUGH		10		
THEIR EMPLOYER BUT ELECT TO ENROLL IN THE MONROE COUNTY HEALTH PLA	N					

Historical Fund Balance



2017/18 Projected Assumes No Change in Benefits or Funding

Large Claims Increase

EV Ending	# of Claimants	Total Claims for	Largest Claim	# Over ¢250V	# Over \$400K
FY Ending	Over \$50K	Large Claimants	Largest Claim	# Over \$250K	# Over \$400K
2009	18	\$1,858,196	\$402,792	2	1
2010	20	\$2,076,986	\$338,544	1	0
2011	22	\$2,388,534	\$336,742	1	0
2012	27	\$2,981,942	\$323,462	3	0
2013	35	\$3,845,990	\$310,603	3	0
2014	34	\$3,839,936	\$503,159	1	1
2015	43	\$5,349,407	\$560,607	5	1
2016	50	\$6,287,104	\$816,745	4	3
2017 YTD	11	\$1,148,758	\$267,761	1	0
2017 Ann'd	44	\$4,595,030			

What does this mean for the Health Fund for 2018?

FY 2018 Forecasts	
	Baseline FY 18
	Forecast
Projected Starting Fund Balance	\$7,595,391
Projected Revenue at Current Funding	\$18,052,606
Projected Claims	\$18,264,281
Projected Fixed Costs	\$1,585,691
Projected Expenses	\$19,849,972
Projected Gain/(Loss)	(\$1,797,366)
Projected Closing Fund Balance	\$5,798,025
Projected Target Fund Balance	\$9,132,140
Projected Excess/(Shortfall)	(\$3,334,116)

Health Plan Changes Implemented for 2017

	Projected FY Impact
Benefit Changes (Effective January 1, 2017)	
Increase ER deductible from \$100 to \$300	\$97,769
Increase out of Pocket Maximum From \$6350 to \$7150	\$139,669
Increase retail brand copay from \$35/\$70 (preferred /	
non preferred) to \$50/\$90 and Increase retail 90 brand	
from \$87.50/\$175 to \$125/\$225	\$143,161
Increase specialty pharmacy cost share to 20% to a	
maximum of \$250	\$13,967
Add Teledoc	\$19,575
Subtotal Plan Design Changes	\$414,141
Funding Changes (Effective October 1, 2016 for	
County and January 1, 2017 for Employees	
No Subsidy for Medicare Eligible Dependents of Retirees	\$254,448
Spouses of Active Employee Pay 100% of Actuarial Rate	
if Spouse has Access to Coverage Through His/Her Own	
Employer	\$234,077
Increase County Contribution	\$2,261,970
Subtotal Funding Increases	\$2,750,495
Total Estimated Impact of 2017 Changes	\$3,164,636

2017 Plan Changes Considered - Not Implemented

	Projected FY Impact
Benefit Changes	
Increase Deductible from \$400/\$800 to \$600/\$1200	\$282,831
Increase Specialist and Urgent Care copay from \$25 to \$50	\$94,277
Add \$100 pharmacy deductible	\$162,366
Contribution Changes	
Charge Full Annual Amount of Health Insurance to Medicare Eligible Retirees	\$1,312,500
Reset Dependent Contributions to 50% of Actuarial Rate at Current Higher Costs	\$373,230
No Subsidy for Dependents of Any Retirees	\$459,378
No subsidy for Pre-65 Retirees	\$1,311,728
Pre 65 Retirees Pay 50% of Actuarial Rate	\$621,033
Active Employees Pay \$50/75 for Employee Coverage	\$263,025
Reset Dependent Contributions to 60% of Actuarial Rates	\$599,868
Set Premium for Retiree Only Coverage to a Flat \$200	\$272,025

What staff is doing and what may be on the horizon for the 2017/2018 budget considerations:

• Teladoc – relieve emergency room visits and save costs using this instead of hospitals or urgent care to treat things such as:

Top 10 Diagnoses



Prescription Management

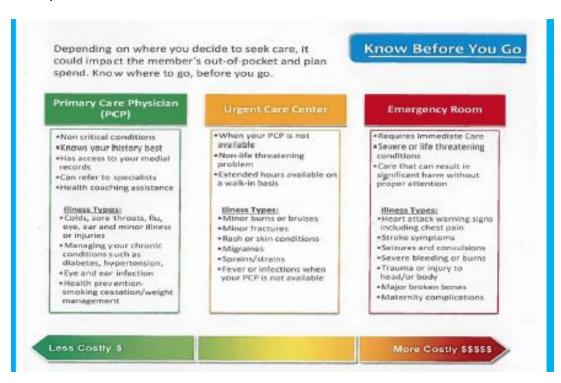


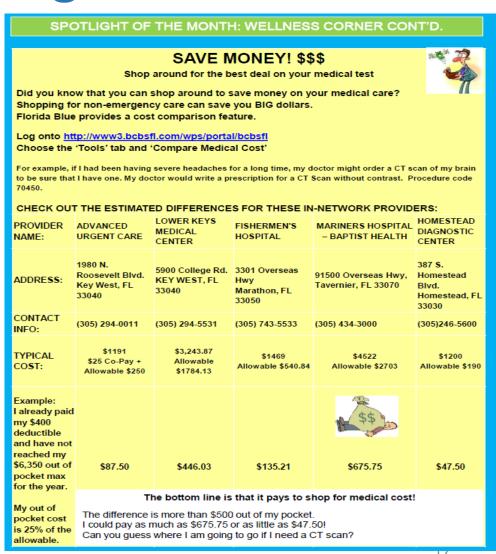
- Sinus Problems
- Urinary Tract Infection
- Pink Eye
- Bronchitis
- Upper Respiratory Infection
- Nasal Congestion
- Allergies
- Flu
- Cough
- Ear Infection

- Electronic prescribing (SureScripts) or by phone, if needed
- Frequency of prescribing lower than same diagnoses when comparing best provider practices (about 80% vs. 83%)
- Patient education and physician reminders for appropriate use
- No prescribing of DEA-controlled substances, medication for psychiatric illness, or lifestyle drugs (i.e. erectile dysfunction, diet).
- Generic drugs are automatically recommended

What staff is doing and what may be on the horizon for the 2017/2018 budget considerations:

- Expanding the Wellness program Incentivizing employees by offering a discount for what they
 pay for health insurance if they obtain age appropriate preventative screenings annually to
 detect disease that can result in high cost diagnosis prior to them becoming difficult to treat
 diseases
- Initiating an education and outreach program to train users of health insurance to "shop around" for the treatment that is the least costly to the plan and to the employees with a private company who will travel to all County offices and educate staff on how to save money – For example:





What staff is doing and what may be on the horizon for the 2017/2018 budget considerations:

- RFP Pharmacy Benefit Manager in 2017
- RFP Fully Insured Medical without Pharmacy in 2017
- RFP self insured if fully insured doesn't produce good results

RFP Stop Loss insurance for large claims

Request for Proposals Draft Timeline:

Health Insurance and Prescription Benefit Request for Proposals (RFPs) Recommended Timelines
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	Drafts from GBS	BOCC Approval of RFP	Publish Date	RFP Opening	Analysis to MCBCC	Selection Committee Meeting	Finalist Presentations (only if needed)	Recommendation - Agenda Item Deadline	BOCC Award Bid	BOCC Award Contract	Termination Notice to Vendor (latest date)	Implementation Dates
Pharmacy BM - Standalone	1/19/2017	4/12/2017	4/17/2017	6/6/2017	7/10/2017	7/20/17 -7/21/17	7/25/17 - 7/26/17	8/1/2017	8/16/2017	10/20/2017	11/1/2017	9/1/17 - 1/1/18
Stop Loss	4/19/2017	5/17/2017	5/22/2017	7/5/2017	8/25/2017	9/13/2017	9/15/2017	10/3/2017	10/18/2017	12/14/2017	N/A	10/1/17 - 1/1/18
Termination Notice and Contract Expiration to Envision (RX provider)								urrent contract with Env				la la o
Termination Notice to FB	'	ne County must mak	e a determination a	s to whether to term	ninate Florida Bi	ue and notify FB by	7/1/2018 if it wishes to	terminate the Adminis	trative Services Agre	ement for the medi	cal plan beginning 1	/1/19.
Fully Insured Medical without Rx, With HMO & PPO Options.	10/1/2017	11/15/2017	11/20/2017	1/9/2018	2/12/2018	2/22/18-2/23/18	2/27/18-2/28/18	3/7/2018	3/21/2018	5/16/2018	7/1/2018	4/1/2018 - 1/1/2019
Medical TPA RFP - with 180 day termination notice	10/1/2017	12/12/2017	1/1/2018	2/13/2018	3/12/2018	3/21/18-3/23/18	3/27/18-3/29/18	4/2/2018	4/16/2018	6/20/2018	7/1/2018	6/1/18 - 1/1/19

Current Contract Expiration Dates:

Pharmacy Benefit Manager

(Envision RX) 12/31/2017

Medical TPA (Florida Blue)

12/31/2020

\$150,000 Early Termination Fee per the Amendment

	COMPARISON OF	MONROE COLIN	TY LARGER GOVERNMENT EM	PLOYERS				
Solitor Soli	COMI AMBON OF		T BANGEN GOVERNMENT EN				Retiree Prejum	
Manore County Stock			Employee Premium Rate		Dependent	t Premium Rates		Retiree Premium Rate
Marcor Cours Marc			Employee Fremum nace		Серениен	C F C III C III C II C II C II C II C I		neares remain nace
Manifest Country SOCE 99% Family 100% 100	EMPLOYERS		EMPLOYEE CONTRIBUTION		EMPLOYEE	CONTRIBUTION		RETIRES CONTRIBUTION
Manusca Country Stock Manu				CONTINUOUNCE			CONTINUEDINON	ne interese de la constante de
Moreos County DCC Park Park 15/12 \$15 test Month One COUNTY C				1			1	
Manual County BOC Park STUTE STATE Manual				1			1	
Trans			Discour Edd Mills Cost Decoders	1		·	1	
Part	Monroe County BOCC	95%		60%			80%	
Page			On or Arter 3/1/12 3 30 Per Month	1			-	"Hired after 10/1/01 pay full dept rate.
File				1			1	
Part				1			-	
PRAM					rive children:	\$736		
City of Key West Point to 1001/10 1500 Point to 1001/10 5 4 18 Point to 1001/10 5 5 100 Point to 1001/10 5 5 10 Point to 1001/10 5					One Dependent:	\$380.10	Employees	
City of Key Week Prior to 10/03/10-1006 Prior to 10/03/10-554-18	FKAA	100%	\$0.00	39%	Family:	\$545.21	Less than 15 grand	
After 10/01/10, 95% After 10/01/10, 5.54.16 Or							Now pay Upper Man	agement a subsidy based on level and years of service.
After 10/01/10, 95% After 10/01/10, 5.54.16 Or								
After 10/01/10, 95% After 10/01/10, 5.54.16 Or		Prior to 10/01/10: 1009/	Prior to 10/01/10: \$ 0.00		Sparrer	\$688.26		
Monvoice Country School Monvoice Country	City of Key West			0%		•	0%	
Space Spac		After 10/01/10: 95%	After 10/01/10: \$ 54.16]			_	
Note					Family:	\$1,183.21		Over 65: \$ 602.02
Note					Spouse:	\$565.16		
Note 100%							1	\$0.00 Flieible Retirees *Hired prior to lune
Base Plant Bas	Keur Francu	100%	\$0.00	094	omeren.	J-120.20	100% Eligible	
Base Plan: Base Plan: Base Plan: Base Plan: Base Plan: Base Plan: Sept.	Keys chergy	100%	50.00				Retirees	
100% 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00 50.00					Family:	\$991.52		retrement immediately appropriate
City of Marathna		Base Plan:	Base Plan:		Base Plan:	Base Plan:		
City of Marathon High Option Plan: Spouse: 5987.98		100%	\$0.00	1	Spouse:	\$885.78	1	
High Option Plan: High Option Plan: Sigh				Dependent coverage	Children:	\$728.52	1	
High Option Plan:	e:			on both plans:	Family	\$1,796.32	1	
Children: \$512.55	City of Marathon	High Option Plan:	High Option Plan:	Employee pays	High Option Plan:	High Option Plan:	0%	Retirees are eligible to enroll in COBRA. Pay 100%
Spouse S				100%			1	
Spouse: \$786.10 O% -65 and >65: \$750.00 O% O% O% O% O% O% O%				1	Children:	\$812.55	1	
Description Part				1	Family	\$2,003.63		
Description Part					E	\$796 10		
Stands		90%	\$70	094			0%	465 and 465: \$ 750.00
Buy Up Plan: Buy Up Plan: Buy Up Plan: Buy Up Plan: MUST have 10 year of service with MCS8. <10 YOS: \$ 1028.15	Islands	30.2	3,0				- ""	(65 and 565. \$756.66
Monroe County School Board Sup Up Plan: Buy Up Plan: Buy Up Plan: Buy Up Plan: Sup U					ramily.	31,372.24		
Monroe County School Board S280 67% Employee + One (Spouse or Child): S508.38 On number of years of service with MCSB. 10-19 YOS: \$ 758.89			Buy Up Plan:		Buy Up Plan:	Buy Up Plan:	of service with	<10 YOS: \$ 1028.15
#MCSB offers three plans. Buy Up Plan illustrated as it is most comparable to BOCC. Family Plan: 5642.20 10-19 YOS = 50% 20+ YOS = 100% of actual retiree costs 20+ YOS = 50% 20+ YOS = 100% of actual retiree costs 20+ YOS = 50% 20+ YOS = 50% 20+ YOS = 100% of actual retiree costs 20+ YOS = 50% 20+ YOS			\$280	67%	Employee + One (Spouse or Child):	\$508.38	on number of years of service with	10-19 YOS: \$ 758.89
HMO		7094	illustrated as it is most comparable to		Family Plan:	\$642.20	10-19 YOS = 50% 20+ YOS = 100% of	
100% \$0.00 43% Spouse: \$451.43 County provides a flat fixed dollar subsidy that varies by plan and tier but does not change each year		15%						Retirees over age 65 pay rull premium: \$ 1028.15
Miami-Dade County		нмо	нмо		нмо	нмо		HMO Under 65: \$490
Miami-Dade County POS High Option Plan: 97% \$32.28 43% Children: \$390.37 Family \$623.50 POS POS POS POS \$43% Spouse: \$714.22 Children: \$587.08 Spouse: \$587.08 Spouse: \$587.08 Spouse: \$587.08		100%	\$0.00	43%				POS Under 65: \$1165
POS High Option Plan: 97% \$32.28 43% POS]				
97% 532.28 43% FOS POS does not change each year Medicare supplement without Pharmacy: 3280 does not change each year	Miami-Dade County							
9/% 332.28 43% Spouse: 3/14.22 each year carried to the spouse of the sp								Medicare Supplement without Pharmacy: \$280
Children: \$587.08		97%	\$32.28	43%				
Family \$1,258.16							Cacil year	
	1	ı		I	Family	\$1,258.16	1	

We need to recommend changes in premiums or benefits to meet a shortfall of:

\$3,334,116

To maintain a 6 month reserve amount in the Health Insurance Fund

2018 Options to be studied by Committee and discussed on 3/24/17 to meet \$3,334,116 projected shortfall

Please study the changes that were not implemented for 2017 to see if the Committee will recommend any of these for implementation in 2018

	Projected FY Impact
Benefit Changes	
Increase Deductible from \$400/\$800 to \$600/\$1200	\$282,831
Increase Specialist and Urgent Care copay from \$25 to \$50	\$94,277
Add \$100 pharmacy deductible	\$162,366
Contribution Changes	
Charge Full Annual Amount of Health Insurance to Medicare Eligible Retirees	\$1,312,500
Reset Dependent Contributions to 50% of Actuarial Rate at Current Higher Costs	\$373,230
No Subsidy for Dependents of Any Retirees	\$459,378
No subsidy for Pre-65 Retirees	\$1,311,728
Pre 65 Retirees Pay 50% of Actuarial Rate	\$621,033
Active Employees Pay \$50/75 for Employee Coverage	\$263,025
Reset Dependent Contributions to 60% of Actuarial Rates	\$599,868
Set Premium for Retiree Only Coverage to a Flat \$200	\$272,025

Please bring fresh ideas (in addition to those shown on the right we are currently analyzing to our next meeting (March 24) for ways to save money or raise revenue

- Add a high deductible health plan at lower premium rates with employees having to "buy-up" to keep the current level of coverage
- Discontinue dependent subsidy for new hires
- Change retiree premium to a flat \$150 per month
- Change the manner in which pharmacy benefits are provided to Medicare- eligible retirees (no change in copays)
- Change retiree premium to \$150 (<10 YOS), \$100 (10-20 YOS) or \$50 (>20 YOS)
- Consider joint nurchasing by County School Board

Benefit and Contribution Changes Recommended for FY 2018	Decrease Expense by: \$3.3 Million	_
	Projected FY Impact	Y or N
Benefit Changes		
1. Increase Deductible from \$400/\$800 to \$600/\$1200	\$282,831	
2. Increase Specialist and Urgent Care copay from \$25 to \$50	\$94,277	
3. Add \$100 pharmacy deductible	\$162,366	
Contribution Changes		
4. Charge Full Annual Amount of Health Insurance to Medicare Eligible Retirees	\$1,312,500	
5. Reset Dependent Contributions to 50% of Actuarial Rate at Current Higher Costs	\$373,230	
6. No Subsidy for Dependents of Any Retirees	\$459,378	
7. No subsidy for Pre-65 Retirees	\$1,311,728	
8. Pre 65 Retirees Pay 50% of Actuarial Rate	\$621,033	
9. Active Employees Pay \$50/75 for Employee Coverage	\$263,025	
10. Reset Dependent Contributions to 60% of Actuarial Rates	\$599,868	
11. Set Premium for Retiree Only Coverage to a Flat \$200	\$272,025	
Benefit and Contributions Changes Recommended by Staff for 2018		
Benefit Changes		
12. Dual Option HSA	\$729,734	
13. Dual Option HSA with retirees getting high deductible plan at no cost	\$711,616	
14. Dual Option like MCSB	\$573,964	
15. RDS vs EGWP	\$250,000	
Contribution Changes		
16. Discontinue Dependent Subsidy for employees hired after 10/1/17	\$139,209	

Increase Calendar Year Deductible from \$400/\$800 to \$600/\$1200

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$282,381	\$376,165	\$381,808

Expected to reduce claims costs by 1.6%.

Increase Specialist Copay from \$25 to \$50

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$84,849	\$112,849	\$113,978

Expected to reduce claims costs by 0.45%.

Increase Urgent Care Copay from \$25 to \$50

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$9,428	\$12,539	\$12,664

Expected to reduce claims costs by 0.05%.

Add \$100 Annual Pharmacy Deductible

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$162,366	\$215,947	\$218,106

Would apply to each individual covered, so all family members would be subject to this deductible.

Expected to reduce claim costs by 0.9%

Charge Full Annual Amount of Health Insurance to Medicare Eligible Retirees

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$1,312,500	\$1,750,000	\$1,750,000

This would increase retiree rate for Medicare retirees to approximately \$700 per month. Virtually all of these retirees would then leave the plan in favor of Medicare Supplement or Medicare Advantage plans.

Provide \$250 Subsidy to Medicare Eligible Retirees But Require Them to Pay the Full Actuarial Rate of \$697

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$841,521	\$1,178,130	\$1,237,036

This would increase the retiree rate for Medicare retirees to approximately \$447 per month (\$697 actuarial rate - \$250 subsidy). We expect a majority would leave the plan in favor of Medicare Supplement or Medicare Advantage plans.

Reset Dependent Contributions to 50% of Actuarial Rate at Current Costs

	FY 2018	FY 2230	FY 2020
Projected \$ Impact	\$373,500	\$521,216	\$557,701

	Current	Illustrative
Spouse Only	\$332	\$523
Spouse + 1 child	\$480	\$756
Spouse + 2 or more children	\$701	\$1,104
One child only	\$148	\$232
Two children only	\$295	\$465
Three children only	\$443	\$697

Option 10 has a different dependent contribution illustration. Only 1 of these 2 can be selected.

No Subsidy for Dependents of Any Retirees

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$459,378	\$641,521	\$686,428

	Current	Illustrative
Spouse Only - 65+	\$559	\$559
Spouse Only - < 65	\$332	\$1,046
Spouse < 65 + 1 child	\$480	\$1,511
Spouse <65 + 2 or more children	\$701	\$2,209
One child only	\$148	\$465
Two children only	\$295	\$930
Three children only	\$443	\$1,395

Subsidy for Medicare eligible spouses has already been discontinued.

40% Subsidy for Dependents of Retirees Other Than Medicare Eligible Spouses

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$134,325	\$187,585	\$200,716

Tier	Covered	Current Rate	Revised Rate
Spouse <65	37	\$332	\$628
1 Child	5	\$148	\$279
2 Children	4	\$295	\$558
3 Children	2	\$443	\$837
Spouse <65 & 1 Child	2	\$480	\$907
Spouse < 65 + 2 Children	1	\$701	\$1,325
Total Annual	51	\$201,012	\$380,112
Annual Savings			\$179,100
9 Month Savings			\$134,325

Subsidy for Medicare eligible spouses has already been discontinued.

No Subsidy for Pre-65 Retirees Hired Prior to 2001

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$1,311,728	\$1,831,827	\$1,960,055

Pre-65 Retirees currently pay \$50 to \$150 depending on years of service. Under this option they would pay \$1035.

Option 8 has a different pre-65 retiree contribution illustration. Only 1 of these 2 can be selected.

Rule of 70 Retiree Subsidy Based on Years of Service

Years of Service	Retiree Contribution
25+	FRS HIS (\$125 to \$150 - same as current)
20-24	25% of Actuarial Rate
10-20	50% of Actuarial Rate

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$772,119	\$1,123,572	\$1,221,540

Rule of 70 Retiree Subsidy Based on Years of Service

			Te	otal/Averag	e
	Pre 65	65+	FY 2018	FY 2019	FY 2020
Enrollees	125	296	421	421	421
FY 18 Actuarial Rate	\$1 <i>,</i> 035	\$697	\$797	\$853	\$913
25% Actuarial Rate			\$199	\$213	\$228
50% Actuarial Rate			\$399	\$427	\$456
		Years of S	ervice		
	>=25	20-24	10 - 20	Total	
Current Retirees	97	88	236	421	
Current Average	\$141	\$110	\$69	\$94	
FY 2018					
Proposed Average	\$141	\$199	\$399	\$298	
Monthly Change	\$0	\$7,837	\$77 , 954	\$85,791	
9-month Impact	\$772,119				
FY 2019					
Proposed Average	\$141	\$213	\$427	\$316	
Monthly Change	\$0	\$9,069	\$84 <i>,</i> 562	\$93,631	
12 month Impact	\$1,123,572				
FY 2020					
Proposed Average	\$141	\$228	\$456	\$336	
Monthly Change	\$0	\$10,389	\$91,406	\$101,795	
12 month Impact	\$1,221,540				

Pre-65 Retirees Hired Prior to 2001 Pay 50% of Actuarial Rate

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$621,033	\$867,272	\$927,981

Pre-65 Retirees currently pay \$50 to \$150 depending on years of service. Under this option they would pay \$518.

Option 7 has a different pre-65 retiree contribution illustration. Only 1 of these 2 can be selected.

Active Employees Pay \$50/\$75 for Employee Coverage (Currently \$25/\$50)

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$263,025	\$349,823	\$349,823

Option 24 has a different employee contribution illustration. Only 1 of these 2 can be selected.

Set Dependent Contributions to 60% of Actuarial Rate at Current Costs

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$599,868	\$837,716	\$896,356

	Current	Illustrative
Spouse Only	\$332	\$628
Spouse + 1 child	\$480	\$907
Spouse + 2 or more children	\$701	\$1,325
One child only	\$148	\$279
Two children only	\$295	\$558
Three children only	\$443	\$837

Option 5 has a different dependent contribution illustration. Only 1 of these 2 can be selected.

Set Premium for Rule of 70 Retiree Only Coverage to a Flat \$200

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$272,025	\$361,793	\$361,793

Applies only for retirees who have met the Rule of 70. Retirees not eligible for Rule of 70 continue to pay full Department rate

Option 17 has a different retiree contribution illustration. Only 1 of these 2 can be selected.

FY 2018 Options 12 - 14

Dual Options with New High Deductible Health Plan (HDHP) Option

		Current Plan		Options 12 & 13: Illustra	tive HDHP with HSA	Option 14: Monroe Schools HDHP		
Feature	Feature Network Non Netwo		Non Network	Network	Non Network	Network	Non Network	
Deductible - Individual		\$400	\$400	\$2,000	\$4,000	\$1,750	\$1,750	
Deductible - Family		\$800	\$800	\$4,000	\$8,000	\$3,500	\$3,500	
Coinsurance		75%	45%	80%	50%	75%	60%	
Out of Pocket Max - Individual		\$7,150	\$7,150	\$7,150	\$14,300	\$6,850	\$6,850	
Out of Pocket Max - Family		\$14,300	\$14,300	\$14,300	\$28,600	\$13,700	\$13,700	
Physician Office Visit Copay		\$25	Ded/Coinsurance	Ded/Coinsurance	Ded/Coinsurance	\$50 (PCP Only)	\$60 (PCP Only)	
ER Copay		\$30	0	Ded/Coinsurance	Ded/Coinsurance	Ded/Coinsurance	Ded/Coinsurance	
Prescription Drug Deductible Per	Member	N/A		N/A		\$100		
Retail Pharmacy Copays	Generic	\$10)	\$10		\$15		
(After Deductible for HSA)	Preferred Brand	\$50		\$50		\$50		
	Non Preferred Brand	\$90)	\$90		\$75		
Mail Order Pharmacy Copays	Generic	\$25	5	\$25		\$3	0	
(After Deductible for HSA)	Preferred Brand	\$12	25	\$125		\$10	00	
	Non Preferred Brand	\$22	5	\$225		\$15	50	
HSA Contribution From County	EE Only	N/A		\$500		N/A		
,	EE + Dependents	N/A		\$1,000		NA		
Estimated Cost of Illustrative HSA Plan Relative to 2017 PPO *		1.00	00	0.818	3	0.8	89	

Add HSA Option with Employees Getting Single HSA Coverage for \$0

			Hig	h Option (Current	Plan)	Low Option (HSA Plan)		
	Enrollees	Monthly Rate	Enrollees	Monthly Rate	Monthly Rate %	Enrollees	Monthly Rate	Monthly Rate %
Employees Paying \$25 Premium	616	\$25	493	\$50	64%	123	\$0	0%
Recent Hires Pay \$50 mo prem	556	\$50	445	\$75	57%	111	\$0	0%
EMPLOYEE DEPENDENTS ONLY:								
Spouse Only	110	\$332	88	\$394	38%	22	\$299	35%
Spouse + 1 child	37	\$480	30	\$570	38%	7	\$432	35%
Spouse + 2 or more children	33	\$701	26	\$832	38%	7	\$631	35%
One child only	120	\$148	96	\$175	38%	24	\$133	35%
Two children only	80	\$295	64	\$351	38%	16	\$266	35%
Three children only	15	\$443	12	\$526	38%	3	\$399	35%
Four children only	3	\$591	2	\$702	38%	1	\$532	35%
RETIREES ONLY:								
10+ YRS <65	117	\$125	94	\$146	11%	23	\$75	12%
10+ YRS >65	296	\$125	237	\$146	21%	59	\$75	12%
Surviving Spouse < 65	3	\$332	2	\$394	29%		\$299	27%
Surviving Spouse 65+	6	\$559	5	\$598	86%	1	\$503	88%
RETIREE DEPENDENTS ONLY:								
Spouse Only <65	34	\$332	27	\$394	29%	7	\$299	27%
Spouse only <65 + 1 child	2	\$480	2	\$570	31%	0	\$432	29%
Spouse only <65 + 2 or more children	1	\$701	1	\$832	33%	0	\$631	31%
Spouse Only >65	18	\$559	14	\$598	86%	4	\$503	88%
Two children only	4	\$295	3	\$351	38%	1	\$266	35%

Add HSA Option with Employees Getting Single HSA Coverage for \$0

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$729,734	\$1,019,073	\$1,090,408

Options 13, 14, and 33 have different high deductible dual option illustrations. Only 1 of these 4 can be selected.

Add HSA Option with Employees & Retirees Getting Single HSA Coverage for \$0

	Current		Dual Option						
			High Option (Current Plan)			Low Option (HSA Plan)			
	Enrollees	Monthly Rate	Enrollees	Monthly Rate	Monthly Rate %	Enrollees	Monthly Rate	Monthly Rate %	
Employees Paying \$25 Premium	616	\$25	493	\$50	63%	123	\$0	0%	
Recent Hires Pay \$50 mo prem	556	\$50	445	\$75	57%	111	\$0	0%	
EMPLOYEE DEPENDENTS ONLY:									
Spouse Only	110	\$332	88	\$396	37%	22	\$299	35%	
Spouse + 1 child	37	\$480	30	\$571	37%	7	\$432	35%	
Spouse + 2 or more children	33	\$701	26	\$835	37%	7	\$631	35%	
One child only	120	\$148	96	\$176	37%	24	\$133	35%	
Two children only	80	\$295	64	\$352	37%	16	\$266	35%	
Three children only	15	\$443	12	\$528	37%	3	\$399	35%	
Four children only	3	\$591	2	\$704	37%	1	\$532	35%	
RETIREES ONLY:									
10+ YRS <65	117	\$125	0	\$146	11%	117	\$0	0%	
10+ YRS >65	296	\$125	0	\$146	21%	296	\$0	0%	
Surviving Spouse < 65	3	\$332	0	\$395	29%		\$299	27%	
Surviving Spouse 65+	6	\$559	0	\$600	85%	6	\$503	87%	
RETIREE DEPENDENTS ONLY:									
Spouse Only <65	34	\$332	0	\$396	29%	34	\$299	27%	
Spouse only <65 + 1 child	2	\$480	0	\$571	31%	2	\$432	29%	
Spouse only <65 + 2 or more children	1	\$701	0	\$835	33%	1	\$631	30%	
Spouse Only >65	18	\$559	0	\$600	85%	18	\$503	87%	
Two children only	4	\$295	0	\$352	37%	4	\$266	35%	

Add HSA Option with Employees and Retirees Getting Single HSA Coverage for \$0

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$732,955	\$1,023,572	\$1,095,222

Options 12, 14, and 33 have different high deductible dual option illustrations. Only 1 of these 4 can be selected.

Add High Deductible Option Based on Monroe County Schools Plan

	Current		Dual Option						
			Hig	h Option (Current	Plan)	Low Option (HSA Plan)			
	Enrollees	Monthly Rate	Enrollees	Monthly Rate	Monthly Rate %	Enrollees	Monthly Rate	Monthly Rate %	
Employees Paying \$25 Premium	616	\$25	493	\$50	64%	123	\$25	4%	
Recent Hires Pay \$50 mo prem	556	\$50	445	\$75	58%	111	\$25	4%	
EMPLOYEE DEPENDENTS ONLY:									
Spouse Only	110	\$332	88	\$385	37%	22	\$299	32%	
Spouse + 1 child	37	\$480	30	\$557	37%	7	\$432	32%	
Spouse + 2 or more children	33	\$701	26	\$813	37%	7	\$631	32%	
One child only	120	\$148	96	\$171	37%	24	\$133	32%	
Two children only	80	\$295	64	\$343	37%	16	\$266	32%	
Three children only	15	\$443	12	\$514	37%	3	\$399	32%	
Four children only	3	\$591	2	\$685	37%	1	\$532	32%	
RETIREES ONLY:									
10+ YRS <65	117	\$125	94	\$139	10%	23	\$75	11%	
10+ YRS >65	296	\$125	237	\$139	20%	59	\$75	11%	
Surviving Spouse < 65	3	\$332	2	\$385	29%		\$299	25%	
Surviving Spouse 65+	6	\$559	5	\$589	85%	1	\$503	82%	
RETIREE DEPENDENTS ONLY:									
Spouse Only <65	34	\$332	27	\$385	29%	7	\$299	25%	
Spouse only <65 + 1 child	2	\$480	2	\$557	31%	0	\$432	27%	
Spouse only <65 + 2 or more children	1	\$701	1	\$813	33%	0	\$631	28%	
Spouse Only >65	18	\$559	14	\$589	85%	4	\$503	82%	
Two children only	4	\$295	3	\$343	37%	1	\$266	32%	

Add High Deductible Option Based on Monroe County Schools Plan

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$573,964	\$801,541	\$857,649

Options 12, 13, and 33 have different high deductible dual option illustrations. Only 1 of these 4 can be selected.

Change to EGWP from RDS for Medicare Retiree Pharmacy Delivery

0			,	
	FY 2018	FY 2019	FY 2020	
Projected \$ Impact	\$250,000	\$250,000	\$250,000	
RDS Federal Government reimburses County for a % of Medicare retiree drug cost				

RDS	Federal Government reimburses County for a % of Medicare retiree drug cost				
	Payment is made in hindsight based on actual retiree drug utilization				
	Average amount received is approximately \$150,000				
EGWP	Benefits are not changed but are funded differently				
	County buys a Medicare Part D plan from Pharmacy Benefit Manager (PBM)				
	PBM then administers a wraparound plan that results in same coverage as County plan				
	Federal Government subsidizes the Part D plan on front end				
	Originally, EGWP and RDS were intended to be comparable				
	Changes to EGWP rules make it more attractive for many employers				
	Expect total value of up front subsidy could be as much as \$400,000				
	Won't know actual results until we evaluate PBM proposals				

Discontinue Dependent Subsidy for Employees Hired After 10/1/17

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$139,209	\$590,866	\$997,202

	Current	Illustrative
Spouse Only	\$332	\$1,046
Spouse + 1 child	\$480	\$1,511
Spouse + 2 or more children	\$701	\$2,209
One child only	\$148	\$465
Two children only	\$295	\$930
Three children only	\$443	\$1,395

Options 32 has different dependent subsidy illustrations. Only 1 of these 2 can be selected.

Increase Rule of 70 Retiree Contributions to a Flat \$150

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$204,750	\$273,000	\$273,000

Applies only for retirees who have met the Rule of 70. Retirees not eligible for Rule of 70 continue to pay full Department rate

Options 11, 25 and 26 have different retiree subsidy illustrations. Only 1 of these 4 can be selected.

Spouse of Retirees Pay 100% of Actuarial Rate if Spouse has Access to Coverage Through His/Her Own Employer

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$13,662	\$18,216	\$18,216

Premium for a spouse of a retiree with access to other coverage would increase from \$332 to \$1046.

Conduct Dependent Eligibility Audit

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$195,848	\$273,501	\$292,646

Projected FY 2018 Claims	\$18,264,281		
Projected FY 2018 Dependent Claims	\$6,528,257		
Estimated DEA Savings %	3.0%	5.0%	4.0%
Estimated DEA Savings \$	\$195,848	\$326,413	\$261,130
9 Month Savings	\$146,886	\$244,810	\$195,848

Implement Mandatory Generic Pharmacy Benefit

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$24,709	\$34,506	\$36,921

Current Generic Dispensing Rate (GDR)	83.0%
Attainable GDR Under Mandatory Generic	83.5%
Attainable Increase in GDR	0.5%
Estimated Resulting Pharmacy Savings	0.8%
Projected FY 2018 Pharmacy Claims	\$4,392,682
Estimated Annual Savings	\$32,945
Estimated 9-Month Savings	\$24,709

Per Envision, current generic use is close to maximum attainable due to mix of County drug therapies.

Implement Expanded Step Therapy

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$16,473	\$23,004	\$24,614

Plan already has this for some therapies	
Expect limited impact of additional requirements	0.5%
Expected Annual \$ Impact	\$21,963
Estimated 9 Month Impact	\$16,473

Option 34 is based on a revised drug formulary that would eliminate any additional step therapy savings. Only one of Options 21 and 34 can be selected.

Increase Brand Drug Copays to \$60/\$100 (30 day) and \$150/\$250 (90 day)

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$69,861	\$92,915	\$92,915

Baseline claim projection for FY 2018	\$18,264,281
Projected % Savings	0.51%
Projected Annual Impact	\$93,148
Projected 9 Month Impact	\$69,861

Increase Specialty Drug Copay to 25% to Maximum of \$300

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$16,438	\$22,955	\$24,562

Baseline claim projection for FY 2018	\$18,264,281
Projected % Savings	0.12%
Projected Annual Impact	\$21,917
Projected 9 Month Impact	\$16,438

Increase Active EE Contributions from \$25/\$55 to \$65/\$95 (10% actuarial value)

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$442,440	\$617,867	\$661,118

Projected Actuarial Rate for FY 2018			\$775
	_	_	
Enrollees	Current	Revised	Monthly Impact
725	\$25	\$65	
448	\$50	\$95	
1,173	\$40,525	\$89,685	\$49,160
Average	\$35	\$76	
Average %	4.5%	9.9%	
9 Month Impact			\$ 442,440

Option 9 has a different employee contribution illustration. Only 1 of these 2 can be selected.

Increase Retiree Contributions to 20% of Actuarial Value

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$124,963	\$174,510	\$186,726

		Current Average	FY 2018 Actuarial		Illustrative	
	Enrollees	Contrib	Rate	Current %	Contribution	Illustrative %
<65	117	\$125	\$1,035	12.1%	\$207	20.0%
65+	296	\$125	\$697	17.9%	\$139	20.0%
Total/Average	413	\$125	\$793	15.8%	\$159	20.0%
Total Monthly Prem	nium	\$51,625			\$65,510	
Monthly Impact		\$13,885				
9 Month Impact		\$124,963				

Option 17 and 26 have different retiree contribution illustrations. Only 1 of these 3 can be selected.

Change Retiree Contributions to \$150 for 10-20 YOS and \$50 for 20+ YOS

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$48,870	\$64,997	\$64,997

	Current		Proposed
Years of Service	Enrollees	Premium	Premium
10-20	242	\$17,465	\$36,300
20+	171	\$21,955	\$8,550
Total	413	\$39,420	\$44,850
Monthly Change			\$5,430
9 Month Change			\$48,870

Option 17 and 25 have different retiree contribution illustrations. Only 1 of these 3 can be selected.

New Hires Pay \$75 for EE Coverage

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$19,778	\$69,551	\$111,858

	2018	2019	2020
New Hires	176	149	127
Avg New Hires	87.9	250.5	388.7
Adj New Hires	65.9	231.8	372.9
Monthly Impact	\$25	\$25	\$25
\$ Impact	\$19,778	\$69,551	\$111,858

Add \$100 Per Month Smoker Surcharge

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$167,175	\$219,418	\$215,937

Enrollment Date	Prior to 1/1/2015	1/1/15 or Later	Total
Total Covered Employees	1,415	176	1,591
Total Covered Dependents	702	124	826
Total Covered Members	2,117	300	2,417
Current Smoker Surcharge	\$0	\$50	
Illustrative Smoker Surcharge	\$100	\$100	
Estimated Smoking % - Employee	10%	10%	
Estimated Smoking % - Dependents	5%	5%	
Estimated Smokers	174	23	197
Current Total Monthly Surcharge	\$0	\$1,168	\$1,168
Illustrative Total Monthly Surcharge	\$17,407	\$2,335	\$19,743
Annual Increase in Surcharge			\$222,900
9-Month Increase in Surcharge			\$167,175

Increase PCP, Behavioral Health, and Pre/Post Natal Copay to \$30 (from \$25)

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$23,287	\$31,281	\$31,594

Baseline claim projection for FY 2018	\$18,264,281
Projected % Savings	0.17%
Projected Annual Impact	\$31,049
Projected 9 Month Impact	\$23,287

Add \$10 Copay for Independent Clinical Lab (Quest)

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$8,537	\$11,355	\$11,355

Estimated Utilization	1		
Total Lab/Path Utiliz	ation per 1000		1,116
Estimated % Quest	(Exclude IP, ER,	pathology)	85%
Estimated Quest util	lization per 1000		949
Average members			2,400
Annual Quest service	es		2,277
Adjustment for multi	ple services in or	ne claim	50%
Total applicable cop	ays		1,138
Increase in copay			\$10
Annual Copay			\$11,383
9 month copay			\$8,537

Increase Generic Drug Copay to \$15 (from \$10)

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$86,299	\$117,073	\$119,414

Baseline claim projection for FY 2018	\$18,264,281
Projected % Savings	0.63%
Projected Annual Impact	\$115,065
Projected 9 Month Impact	\$86,299

Reduce Dependent Subsidy for New Hires to 50% (currently projected to be 68%)

	FY 2018	FY 20)19	FY 2020
Projected \$ Impact	\$36,706	\$155,	795	\$262,934
		FY 18	FY 19	FY 20
Impact of Eliminating Current Subsidy		\$139,209	\$590,866	\$997,202
Impact of Reducing Subsidy to 50%	(18% reduction	\$36,706	\$155,795	\$262,934

Option 16 also involves a change to the dependent subsidy for future hires. Only 1 of these 2 options could be selected.

Add High Deductible Plan with HRA (Same Plan Design as Option 12)

	FY 2	018	FY 2019	FY 2020
Projected \$ Impact	\$760	,355	\$1,061,808	\$1,136,135
HRA Plan Value	0.80	39		
HSA Plan Value	0.81	77		
			9 Month	12 Month
Original Claim Savir	ngs		\$404,248	\$537,650
Revised Claim Savir	ngs		\$434,849	\$578,349
Contribution Increas	se		\$325,486	\$432,896

Total Impact

Options 12, 13, and 14 also involves adding a high deductible plan. Only 1 of these 4 options could be selected.

\$760,335

\$1,011,246

Envision Suggestion - FY 2018 Option 34

Replace Current Drug Formulary with Select Formulary

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$164,360	\$229,529	\$245,586

Current formulary is very broad. Current year savings estimate provided by Envision. Envision indicates that this would have affected 163 members over the most recent 12 months.

Option 21 involves a change to step therapy requirements that would be unnecessary if Option 34 is implemented. Only 1 of these 2 options could be selected.

Look at Mandatory Use of 90-Day Supply for Maintenance Drugs

	FY 2018	FY 2019	FY 2020
Projected \$ Impact	\$142,920	\$199,587	\$213,559

Current Copays						
30-Day 90-Day						
Generic	\$10	\$25				
Preferred Brand	\$50	\$125				
Non Preferred Brand	\$90	\$225				

Current use of 90-day retail is high and we do not see any real savings potential for just requiring mandatory mail order or 90-day retail. This Option assumes a mandatory 90-day requirement (the member can choose between mail order and 90-day retail) is coupled with a narrower 90-day retail network that will have better discounts. The savings are driven by the improved discounts. This would effectively require members to use Walgreen's for retail maintenance medications and would require members to pay the 90-day copay up front rather than the 3 monthly copays. The net effect is a lower copay but the higher up front cost may be a hardship for some members.

Committee Suggestions Not Valued - FY 2018

Look at Salary Banded Contributions

Mix of Enrollees by Salary Band (Based on 2014 Life RFP Census)						
<\$50,000	726	57.9%				
\$50,000 - \$74,999	404	32.2%				
\$75,000 - \$99,999	83	6.6%				
\$100,000+	40	3.2%				
	1,253					

Conclusion is that there are not enough employees in the higher salary bands to make this an effective strategy

Committee Suggestions Not Valued - FY 2018

Look at Eliminating Health Plan and Giving Employees a Stipend to Buy Their Own Coverage

Penalty under ACA			2017		
Active employees			1,224		
Employees exempted			30		
Employees subject to	penalty		1,194		
2017 Penalty per Em	ployee		\$2,260		
Estimated 2018 Pena	lty/EE		\$2,350		
Estimated 2018 Pena	lty		\$2,805,900		
FY 2017 County Cost			\$15,808,136		
Available for Stipend	if County Cost i	s Frozen	\$13,002,236		
Current Active Emplo	yees		1,224		
Current Retirees Curi	rently Receiving	Subsidy	413		
Total Eligible			1,637		
Potential Monthly Sub	osidies				
		Illustrative Subsidies			
	Eligible	Α	В	С	D
Active	1,224	\$662	\$750	\$800	\$850
Retiree	413	\$662	\$401	\$253	\$104

Conclusion is that this would create extreme hardship on older employees and those with dependents covered.

Menu of Benefit and Contribution Changes

Benefit and Contribution Changes Recommended for FY 2018	Requires Amendment to Retiree Resolution 388-2013	Decrease Expense by: \$3.3 Million	Recommended by Committee by Majority Vote	Rank Order	FY 2019 Projected Savings	FY 2020 Projected Savings	FY 2018 Running TOTAL
Items shown as the same color are mutually exclusive. Therefore, you cannot say							
yes to each one of them.		_					
Select only the one you're in favor of.							
This is applicable to: • For Retirees: Option 4 or 4A or 11 or 17 or 25 or 26 or no to all five							
For Dependents of Retirees: Option 6 or 6A or no to both		Projected FY	Yor N				
For Pre-65 Retirees: Option 7 or 8 or no to both		Impact					
For Dependent Subsidy: Option 5 or 10 or no to both							
For Active Employee: Option 9 or 24 or no to both							
For future hire dependent subsidy: Option 16 or 32 or no to both							
For Dual Option plans: Option 12 or 13 or 14 or 33 or no to all four							
For Pharmacy Changes: Option 21 or 34 or no to both							
							\$3,334,116
Benefit Changes							
1. Increase Deductible from \$400/\$800 to \$600/\$1200		\$282,831			\$376,165	\$381,808	\$3,334,116
Increase Specialist copay from \$25 to \$50 2A. Increase Urgent Care copay from \$25 to \$50		\$84,849 \$9,428			\$112,849 \$12,539	\$113,978 \$12,664	\$3,334,116 \$3,334,116
2A. Increase origin Care Copay Inorin \$25 to \$500 3. Add \$100 pharmacy deductible per individual	+	\$162,366			\$215,947	\$218,106	\$3,334,116
22. Increase brand drug copays to \$60/\$100 (30 day) and \$150/\$250 (90 day)		\$69,861			\$92,915	\$92,915	\$3,334,116
23. Increase specialty drug copay to 25% to maximum of \$300		\$16,438			\$22,955	\$24,562	\$3,334,116
29. Change PCP, Behavioral Health and Pre/Post Natal Care Copay to \$30		\$23,287			\$31,281	\$31,594	\$3,334,116
30. Add \$10 copay for Independent Clinical Lab (Quest)		\$8,537			\$11,355	\$11,355	\$3,334,116
31. Increase Generic Drug Copay to \$15	_	\$86,299			\$117,073	\$119,414	\$3,334,116
Contribution Changes							
6. No Subsidy for Dependents of Any Retirees		\$459,378			\$641,521	\$686.428	\$3,334,116
6A. 40% Subsidy for Dependents of Retirees (Excluding Medicare Eligible Spouses)		\$134,325			\$187,585	\$200,716	\$3,334,116
18. Spouses of Retirees Pay 100% of Actuarial Rate if Spouse has Access to Coverage Through His/Her		\$13,662			\$18,216	\$18,216	\$3,334,116
Own Employer.							
27. New hires pay \$75 for EE Coverage 28. Add \$100 per month smoker surcharge		\$19,778 \$167,175			\$69,551 \$219,418	\$111,858 \$215,937	\$3,334,116 \$3.334.116
Red of too per Informs sincere succitange Red of too per Informs sincere succitange Red of too per Informs sincered to the success of the succe		\$373,230			\$521,216	\$557,701	\$3,334,116
10. Reset Dependent Contributions to 60% of Actuarial Rates (currently 40%)		\$599,868			\$837,716	\$896,356	\$3,334,116
7. No subsidy for Pre-65 Retirees					\$1,831,827	\$1,960,055	
·		\$1,311,728					\$3,334,116
7A. Scaled Subsidy for Retirees		\$772,119			\$1,123,572	\$1,221,540	\$3,334,116
8. Pre 65 Retirees Pay 50% of Actuarial Rate		\$621,033			\$867,272	\$927,981	\$3,334,116
9. Active Employees Pay \$50/75 for Employee Coverage		\$263,025			\$349,823	\$349,823	\$3,334,116
24. Increase active EE contributions from \$25/\$50 to \$65/\$95 (10% of actuarial value)		\$442,440			\$617,867	\$661,118	\$3,334,116
4. Charge Full Annual Amount of Health Insurance to Medicare Eligible Retirees (\$697)		\$1,312,500			\$1,750,000	\$1,750,000	\$3,334,116
4A. Provide a Flat \$250 Subsidy to Medicare Eligible Retirees (\$697 - \$250 = \$447)		\$841,521			\$1,178,130	\$1,237,036	\$3,334,116
11. Set Premium for Retiree Only Coverage to a Flat \$200 for Rule of 70 Retirees		\$272,025			\$361,793	\$361,793	\$3,334,116
17. Increase Retiree Contributions to a flat \$150 for Rule of 70 Retirees		\$204,750			\$273,000	\$273,000	\$3,334,116
25. Increase Retiree Contributions to 20% of Actuarial Value for Rule of 70 Retirees (\$207 <65, \$139 65+)		\$124,963			\$174,510	\$186,726	\$3,334,116
26. Change Retiree Contributions to \$150 for 10 - 20 YOS and \$50 for 20+ YOS for Rule of 70 Retirees		\$48,870			\$64,997	\$64,997	\$3,334,116
16. Discontinue Dependent Subsidy for employees hired after 10/1/17		\$139,209			\$590,866	\$997,202	\$3,334,116
32. Reduce Dependent Subsidy for Future Hires to 50%		\$36,706			\$155,795	\$262,934	\$3,334,116
12. Dual Option HSA		\$729,734			\$1,019,073	\$1,090,408	\$3,334,116
13. Dual Option HSA with retirees getting high deductible plan at no cost		\$732,955			\$1,023,572	\$1,095,222	\$3,334,116
14. Dual Option like MCSB		\$573,964			\$801,541	\$857,649	\$3,334,116
33. Dual Option with HRA (Assume same plan design as HSA option 12)		\$760,335			\$1,061,808	\$1,136,135	\$3,334,116
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Plan Management/Administration Changes	·						
15. Change Medicare Retiree Drug Coverage from RDS to EGWP		\$250,000			\$250,000	\$250,000	\$3,334,116
19. Conduct Dependent Eligibility Audit (estimated 4% of Dependent claims)		\$195,848			\$273,501	\$292,646	\$3,334,116
20. Mandatory Generic Pharmacy Benefit		\$24,709			\$34,506	\$36,921	\$3,334,116
21. Expanded Mandatory Step Therapy		\$16,473			\$23,004	\$24,614	\$3,334,116
Adopt Envision Select Formulary Mandatory 90-day Scripts for Maintenance with Narrower 90-day Retail Network		\$164,360 \$142,920			\$229,529 \$199,587	\$245,596 \$213,559	\$3,334,116 \$3,334,116
60. Manualory 30-day Scripts for Maintenance with Natiowel 30-day Retail Network	1	ψ14∠,9∠∪	ı		ψ133,301	φ <u>ε</u> 13,339	μο, ου σ , 116

Summary of 2018 Illustrative Contributions

	Current	Option 4	Option 5	Option 6	Option 7	Option 7A	Option 8	Option 9	Option 10	Option 11	Option 16	Option 17	Option 24	Option 25	Option 26	Option 27	Option 32
Employees Paying \$25 Premium	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$50	\$25	\$25	\$25	\$25	\$65	\$25	\$25	\$75	\$25
Recent Hires Pay \$50 mo prem	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$75	\$50	\$50	\$50	\$50	\$95	\$50	\$50	\$75	\$50
EMPLOYEE DEPENDENTS ONLY:																	
Spouse Only	\$332	\$332	\$523	\$332	\$332	\$332	\$332	\$332	\$628	\$332	\$1,046	\$332	\$332	\$332	\$332	\$332	\$523
Spouse + 1 child	\$480	\$480	\$756	\$480	\$480	\$480	\$480	\$480	\$907	\$480	\$1,511	\$480	\$480	\$480	\$480	\$480	\$756
Spouse + 2 or more children	\$701	\$701	\$1,104	\$701	\$701	\$701	\$701	\$701	\$1,325	\$701	\$2,209	\$701	\$701	\$701	\$701	\$701	\$1,104
One child only	\$148	\$148	\$232	\$148	\$148	\$148	\$148	\$148	\$278	\$148	\$465	\$148	\$148	\$148	\$148	\$148	\$232
Two children only	\$295	\$295	\$465	\$295	\$295	\$295	\$295	\$295	\$558	\$295	\$930	\$295	\$295	\$295	\$295	\$295	\$465
Three children only	\$443	\$443	\$697	\$443	\$443	\$443	\$443	\$443	\$836	\$443	\$1,395	\$443	\$443	\$443	\$443	\$443	\$697
Four children only	\$591	\$591	\$930	\$591	\$591	\$591	\$591	\$591	\$1,116	\$591	\$1,860	\$591	\$591	\$591	\$591	\$591	\$930
RETIREES ONLY:																	
10+ YRS <65	\$125	\$125	\$125	\$125	\$1,035	\$298	\$518	\$125	\$125	\$200	\$125	\$150	\$125	\$207	\$109	\$125	\$125
10+ YRS >65	\$125	\$697	\$125	\$125	\$125	\$298	\$125	\$125	\$125	\$200	\$125	\$150	\$125	\$139	\$109	\$125	\$125
Surviving Spouse < 65	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332
Surviving Spouse 65+	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559
RETIREE DEPENDENTS ONLY:																	
Spouse Only <65	\$332	\$332	\$332	\$1,046	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332	\$332
Spouse only <65 + 1 child	\$480	\$480	\$480	\$1,512	\$480	\$480	\$480	\$480	\$480	\$480	\$480	\$480	\$480	\$480	\$480	\$480	\$480
Spouse only <65 + 2 or more children	\$701	\$701	\$701	\$2,208	\$701	\$701	\$701	\$701	\$701	\$701	\$701	\$701	\$701	\$701	\$701	\$701	\$701
Spouse Only >65	\$559	\$559	\$559	\$697	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559	\$559
Two children only	\$295	\$295	\$295	\$930	\$295	\$295	\$295	\$295	\$295	\$295	\$295	\$295	\$295	\$295	\$295	\$295	\$295
For Option 74 contributions vary by yo		- ·		0444		'4 05	040	01 00 04		M000 (40	10 (

For Option 7A, contributions vary by years of service. Estimated averages are \$141 for employees with 25+ years, \$199 for 20-24 years, and \$399 for 10-19 years of service

For Option 26, contributions are \$50 for retirees with 20+ years of service and \$150 for retirees with 10-20 years of service

The following Options apply only to new hires: Options 16, 27, and 32

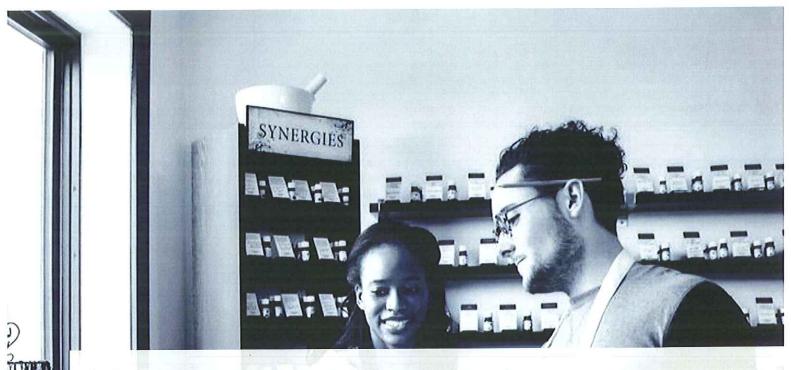
Summary of 2018 Illustrative Dual Option Contributions

	Current	Optio	on 12	Optio	on 13	Optio	on 14
		PPO	HDHP	PPO	HDHP	PPO	HDHP
Employees Paying \$25 Premium	\$25	\$50	\$0	\$50	\$0	\$50	\$25
Recent Hires Pay \$50 mo prem	\$50	\$75	\$0	\$75	\$0	\$75	\$25
EMPLOYEE DEPENDENTS ONLY:							
Spouse Only	\$332	\$394	\$299	\$394	\$299	\$385	\$299
Spouse + 1 child	\$480	\$570	\$432	\$570	\$432	\$557	\$432
Spouse + 2 or more children	\$701	\$832	\$631	\$832	\$631	\$813	\$631
One child only	\$148	\$175	\$133	\$175	\$133	\$171	\$133
Two children only	\$295	\$351	\$266	\$351	\$266	\$343	\$266
Three children only	\$443	\$526	\$399	\$526	\$399	\$514	\$399
Four children only	\$591	\$702	\$532	\$702	\$532	\$685	\$532
RETIREES ONLY:							
10+ YRS <65	\$125	\$146	\$75	\$146	\$0	\$139	\$75
10+ YRS >65	\$125	\$146	\$75	\$146	\$0	\$139	\$75
Surviving Spouse < 65	\$332	\$394	\$299	\$394	\$299	\$385	\$299
Surviving Spouse 65+	\$559	\$598	\$503	\$598	\$503	\$589	\$503
RETIREE DEPENDENTS ONLY:							
Spouse Only <65	\$332	\$394	\$299	\$394	\$299	\$385	\$299
Spouse only <65 + 1 child	\$480	\$570	\$432	\$570	\$432	\$557	\$432
Spouse only <65 + 2 or more children	\$701	\$832	\$631	\$832	\$631	\$813	\$631
Spouse Only >65	\$559	\$598	\$503	\$598	\$503	\$589	\$503
Two children only	\$295	\$351	\$266	\$351	\$266	\$343	\$266
Annual County Contribution to HSA							
EE	N/A	N/A	\$500	N/A	\$500	N/A	N/A
EE + Dependents	N/A	N/A	\$1,000	N/A	\$1,000	N/A	N/A

Benefit and Contribution Changes Recommended for FY 2018	Requires Amendment to Retiree Resolution 388-2013		Recommended by Committee by Majority Vote	Rank Order	FY 2019 Projected Savings	FY 2020 Projected Savings	FY 2018 Running TOTAL
Items shown as the same color are mutually exclusive. Therefore, you cannot say yes to	1						
each one of them.							
Select only the one you're in favor of.							
This is applicable to:							
For Retirees: Option 4 or 4A or 11 or 17 or 25 or 26 or no to all five							
For Dependents of Retirees: Option 6 or 6A or no to both		Projected FY Impact	Y or N				
For Pre-65 Retirees: Option 7 or 8 or no to both							
For Dependent Subsidy: Option 5 or 10 or no to both							
For Active Employee: Option 9 or 24 or no to both							
For future hire dependent subsidy: Option 16 or 32 or no to both							
For Dual Option plans: Option 12 or 13 or 14 or 33 or no to all four							
For Pharmacy Changes: Option 21 or 34 or no to both							
							\$3,334,116
Benefit Changes						****	*********
1. Increase Deductible from \$400/\$800 to \$600/\$1200		\$282,831			\$376,165	\$381,808	\$3,334,116
2. Increase Specialist copay from \$25 to \$50		\$84,849			\$112,849	\$113,978	\$3,334,116
2A. Increase Urgent Care copay from \$25 to \$50		\$9,428			\$12,539 \$215,947	\$12,664 \$218,106	\$3,334,116
Add \$100 pharmacy deductible per individual Increase brand drug copays to \$60/\$100 (30 day) and \$150/\$250 (90 day)		\$162,366 \$69,861			\$92,915	\$92,915	\$3,334,116 \$3,334,116
22. Increase braild drug copays to \$60/\$100 (30 day) and \$150/\$250 (90 day) 23. Increase specialty drug copay to 25% to maximum of \$300		\$16,438			\$92,915	\$24,562	\$3,334,116
29. Change PCP, Behavioral Health and Pre/Post Natal Care Copay to \$30		\$23,287			\$31,281	\$31,594	\$3,334,116
30. Add \$10 copay for Independent Clinical Lab (Quest)		\$8,537			\$11,355	\$11,355	\$3,334,116
31. Increase Generic Drug Copay to \$15		\$86,299			\$117,073	\$119,414	\$3,334,116
The motivator contains a ray copia, to 4.0		400,200			ψ,σ.σ	\$1.0,111	φο,σοι, πο
Contribution Changes							
6. No Subsidy for Dependents of Any Retirees		\$459,378			\$641,521	\$686,428	\$3,334,116
6A. 40% Subsidy for Dependents of Retirees (Excluding Medicare Eligible Spouses)		\$134,325			\$187,585	\$200,716	\$3,334,116
18. Spouses of Retirees Pay 100% of Actuarial Rate if Spouse has Access to Coverage Through His/Her Own		\$13,662			\$18,216	\$18,216	\$3,334,116
Employer.		\$19,778			\$69,551	\$111,858	\$3,334,116
27. New hires pay \$75 for EE Coverage 28. Add \$100 per month smoker surcharge		\$19,778			\$219,418	\$215,937	\$3,334,116
Reset Dependent Contributions to 50% of Actuarial Rate at Current Higher Costs (currently 40%)							\$3,334,116
		\$373,230			\$521,216	\$557,701	
10. Reset Dependent Contributions to 60% of Actuarial Rates (currently 40%)		\$599,868			\$837,716	\$896,356	\$3,334,116
7. No subsidy for Pre-65 Retirees		\$1,311,728			\$1,831,827	\$1,960,055	\$3,334,116
7A. Scaled Subsidy for Retirees		\$772,119			\$1,123,572	\$1,221,540	\$3,334,116
8. Pre 65 Retirees Pay 50% of Actuarial Rate		\$621,033			\$867,272	\$927,981	\$3,334,116
9. Active Employees Pay \$50/75 for Employee Coverage		\$263,025			\$349,823	\$349,823	\$3,334,116
24. Increase active EE contributions from \$25/\$50 to \$65/\$95 (10% of actuarial value)		\$442.440			\$617,867	\$661,118	\$3,334,116
Charge Full Annual Amount of Health Insurance to Medicare Eligible Retirees (\$697)		\$1,312,500			\$1,750,000	\$1,750,000	\$3,334,116
4A. Provide a Flat \$250 Subsidy to Medicare Eligible Retirees (\$697 - \$250 = \$447)		\$841,521			\$1,178,130	\$1,237,036	\$3,334,116
11. Set Premium for Retiree Only Coverage to a Flat \$200 for Rule of 70 Retirees		\$272,025			\$361,793	\$361,793	\$3,334,116
17. Increase Retiree Contributions to a flat \$150 for Rule of 70 Retirees		\$204,750			\$273,000	\$273,000	\$3,334,116
25. Increase Retiree Contributions to 20% of Actuarial Value for Rule of 70 Retirees (\$207 <65, \$139 65+)		\$124,963			\$174,510	\$186,726	\$3,334,116
26. Change Retiree Contributions to \$150 for 10 - 20 YOS and \$50 for 20+ YOS for Rule of 70 Retirees		\$48,870			\$64,997	\$64,997	\$3,334,116
16. Discontinue Dependent Subsidy for employees hired after 10/1/17		\$139,209			\$590,866	\$997,202	\$3,334,116
32. Reduce Dependent Subsidy for Future Hires to 50%		\$36,706			\$155,795	\$262,934	\$3,334,116
12. Dual Option HSA		\$729,734			\$1,019,073	\$1,090,408	\$3,334,116
13. Dual Option HSA with retirees getting high deductible plan at no cost		\$732,955			\$1,023,572	\$1,095,222	\$3,334,116
14. Dual Option like MCSB		\$573,964			\$801,541	\$857,649	\$3,334,116

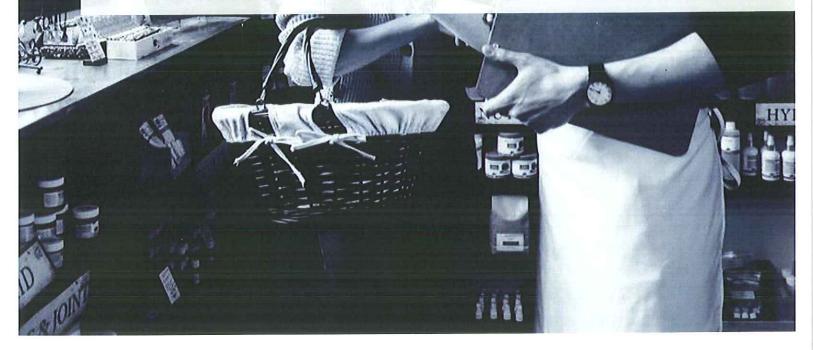
33. Dual Option with HRA (Assume same plan design as HSA option 12)	\$760,335	\$1,061,808	\$1,136,135	\$3,334,116
Now Management (Administration Observed				
Plan Management/Administration Changes				
15. Change Medicare Retiree Drug Coverage from RDS to EGWP	\$250,000	\$250,000	\$250,000	\$3,334,116
19. Conduct Dependent Eligibility Audit (estimated 4% of Dependent claims)	\$195,848	\$273,501	\$292,646	\$3,334,116
20. Mandatory Generic Pharmacy Benefit	\$24,709	\$34,506	\$36,921	\$3,334,116
21. Expanded Mandatory Step Therapy	\$16,473	\$23,004	\$24,614	\$3,334,116
34. Adopt Envision Select Formulary	\$164,360	\$229,529	\$245,596	\$3,334,116
35. Mandatory 90-day Scripts for Maintenance with Narrower 90-day Retail Network	\$142,920	\$199,587	\$213,559	\$3,334,116

ENVISIONR



Select Formulary
Exclusion & Step Therapy List

Effective: January 1, 2017





Formulary Exclusions

Therapeutic Category	Formulary Exclusion	Formulary Alternative		
ANALGESICS		法自己的 "我们是一个人		
Nonsteroidal Anti-inflammatory Agents (NSAIDs)	Zipsor	diclofenac potassium, Zorvolex [NP]		
Opioid Agonists - Extended Release	Butrans, Nucynta ER, Hysingla ER, Oxycontin	Belbuca, Opana ER, Zohydro ER [NP]		
Opioid Agonists - Immediate Release	Nucynta	generic immediate release opioids		
ANTI-ADDICTION / SUBSTANCE AI	BUSE TREATMENT			
Opioid Abuse	Bunavail, buprenorphine/naloxone, Zubsolv	Suboxone Film		
ANTIBIOTICS				
Tetracyclines	Acticlate, Doryx	generic tetracycline		
ANTIVIRALS				
Hepatitis C	Olysio, Technivie, Viekira, Zepatier	Daklinza, Harvoni, Sovaldi		
AUTONOMIC & CENTRAL NERVOL	IS SYSTEM			
Antidementia Agents	Namenda XR, Namzaric	donepezil, memantine (immediate release)		
Attention Deficit Hyperactivity Disorder (ADHD)	Concerta, Daytrana, Focalin XR, QuilliChew, Quillivant, Ritalin LA	Vyvanse, generic ADHD medications		
Transmucosal Fentanyl Analgesics	Abstral, Fentora, Lazanda, Subsys	fentanyl lozenge		
CONTRACEPTIVES				
Oral Contraceptives	generic Beyaz, generic Safyral, generic Yasmin ¹ , generic Yaz ¹ , Minastrin 24 Fe, Lo Loestrin	Beyaz, Natazia, Safyral, Yasmin, Yaz		

¹generic Yasmin and Yaz are commonly marketed as Gianvi, Loryna, Ocella, Syeda, Vestura, or Zarah



Formulary Exclusions (continued)

Therapeutic Category	Formulary Exclusion	Formulary Alternative		
DERMATOLOGY				
Acne (Oral Agents)	Absorica	Amnesteen, Claravis, Myorisan, Zenatane		
Acne (Topical Agents)	Aczone, Clindagel, Epiduo	Acanya, clindamycin phosphate, Onexton, Retin-A Micro Gel 0.08%, Ziana		
Actinic Keratosis	Carac, fluorouracil 0.5% cream	Picato [NP], Zyclara [NP], fluorouracil 5% cream, imiquimod 5% cream		
Antifungals	Kerydin	Jublia		
Anti-Inflammatory Agents - Topical	Pennsaid	Flector		
DIABETES		EN THE STATE OF TH		
Biguanides	Fortamet, Glumetza, generic Glumetza	metformin		
Blood Glucose Meters & Test Strips	Abbott (Freestyle, Precision), Ascencia (Breeze, Contour), Roche (Accu-Chek), All other test strips that are not LifeScan (OneTouch) brand	LifeScan (OneTouch)		
Dipeptidyl Peptidase-4 Inhibitors (DPP-4) & Combinations	Jentadueto, Kazano, Kombiglyze, Nesina, Oseni, Onglyza, Tradjenta	Janumet, Januvia		
Glucagon-Like Peptide-1 Agonists (GLP-1)	Tanzeum, Trulicity	Bydureon, Byetta, Victoza		
Rapid Acting Insulin	Afrezza, Apidra, Humalog, Humulin	Novolog, Novolin		
Sodium-Glucose Co-transporter 2 (SGLT-2) Inhibitor & Combinations	Farxiga, Xigduo	Invokana, Invokamet, Jardiance, Synjardy		
ENDOCRINE				
Growth Hormone	Humatrope, Norditropin, Nutropin AQ, Omnitrope, Saizen, Zomacton	Genotropin		
Hormones	Estrace Vaginal Cream	Premarin Vaginal Cream		
Topical Testosterone Products	Androderm, Axiron, Fortesta, Testim	Androgel 1.62%, generic testosterones		



Formulary Exclusions (continued)

Therapeutic Category	Formulary Exclusion	Formulary Alternative	
GASTROINTESTINAL			
Anti-Inflammatory/Anti-Ulcer Agents	Duexis, Vimovo	famotidine PLUS ibuprofen or omeprazole PLUS naproxen	
Inflammatory Bowel Agents	Asacol HD, Canasa, Delzicol, Dipentium, Giazo, Pentasa	Apriso, Lialda	
MUSCULOSKELETAL			
Hyaluronics (Osteoarthritis Agents)	Gel-One, Orthovisc, Monovisc, Supartz, Synvisc, Synvisc One	Euflexxa, Hyalgan	
HEMATOLOGICAL			
Erythropoiesis-Stimulating Agents	Aranesp, Epogen, Mircera	Procrit	
RESPIRATORY			
Chronic Obstructive Pulmonary Disease	Incruse Ellipta, Seebri Neohaler,Tudorza	Spiriva	
Selective beta-2-Adrenergic Agonists	Proair, Proventil, Xopenex	Ventolin	
Long-Acting Muscarinic Containing Agents	Anoro Ellipta, Utibron Neohaler	Stiolto	
Pulmonary Anti-Inflammatory Inhalers	Pulmicort, QVAR	Arnuity Ellipta, Asmanex, Flovent HFA, Flovent Diskus	
Pulmonary Anti-Inflammatory / Long-Acting Beta Agonist Inhalers	Dulera, Symbicort	Advair, Breo Ellipta	
UROLOGICAL	A - Proprietal Laboration	THE STATE OF THE SECOND	
Erectile Dysfunction	Cialis ² , Levitra, Staxyn, Stendra	Viagra	
Urinary Antispasmodic	Enablex, Toviaz, Vesicare	oxybutynin, tolterodine, trospium	
WEIGHT LOSS			
Weight Loss Agents	Saxenda, Qsymia	Belviq, Contrave	

²Managed by prior authorization to assess indication



Step Therapies

Therapeutic Category	Secondary Treatment	Primary Treatment
ANTINEOPLASTICS		
Oral Oncology	Xtandi	Zytiga
AUTONOMIC & CENTRAL NERVOUS SYSTEM		
Multiple Sclerosis	Aubagio ³ , Betaseron, Extavia, Lemtrada, Rebif, Tysabri, Zinbryta	Avonex, Copaxone, Gilenya, Plegridy, Tecfidera
BLOOD PRODUCTS / MODIFIERS / VOLUME EXPANDERS		
Anticoagulants	Pradaxa, Savaysa	Eliquis, Xarelto
GASTROINTESTINAL		
Irritable Bowel Syndrome & Opioid Induced Constipation Agents	Linzess, Movantik, Relistor	Amitiza
IMMUNOLOGICAL AGENTS		
Inflammatory Conditions	Actemra ⁴ , Cimzia ⁴ , Cosentyx, Kineret ⁴ , Orencia ⁴ , Otezla, Simponi ⁴ , Stelara, Taltz, Xeljanz	Enbrel, Humira

³Requires trial and failure of only one primary treatment

⁴Xeljanz required to be tried and failed prior to use of other Secondary Treatment options for Rheumatoid Arthritis